

We own investment property and a development estate worth £470 million. It provides a crucial source of income for us.

INVESTMENT PROPERTY STRATEGY

We will increase income from our investment estate through:

- timely and active estate management
- being prepared to increase our risk levels for higher yields

DEVELOPMENT PROPERTY STRATEGY

We will:

- increase our development acquisitions to fulfil our objectives for urban and rural regeneration
- continue to trade land, and add value to it by securing planning consent, land assembly and infrastructure before offering it to private sector developers
- develop property through our partnerships where additional finance or expertise is needed. Our partners will add value to the land before trading it to other third party developers

- engage in direct development activity ourselves, or through our partnerships, whenever it is in line with our wider objectives. Schemes will generally be selected because they deliver wider government policy, secure high levels of public support or develop an area of market failure. However they must also meet minimum criteria for investment returns and risk. We will not normally engage in direct development activities in our own right, other than when there is no other viable option, and these schemes will be of a small scale in terms of capital investment
- work with government to enable us to use our property and regeneration expertise on other waterways

We want to make the most of our property portfolio so that more money can be put back into maintaining and caring for the waterways. We are currently working with Berkeley Clarence Dock Company Ltd to regenerate Clarence Dock, Leeds. This development, as pictured here in this computer-generated image, will enhance the basin area surrounding the Royal Armouries Museum, utilising its waterside location. We will retain ownership of some of the revenue-generating leisure space in this mixed-use development to lease to third parties. ►



Property Milestones

Property Milestones	Year
Wood Wharf successfully transferred to a new partnership vehicle	2005
Gloucester Quays transferred successfully to joint venture with Peel Holdings	2005
Controllable costs of investment property business represent < 20% of income	2006
Disposal of at least 75 low value properties	2006
100% completion of property registration	2008
Identify at least five new sites per year for the Waterway Pub Partnership	Ongoing to 2008

Property Income and Expenditure £m

